

**UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA**

CIVIL MINUTES

Date: March 6, 2024	Time: 41 minutes 2:01 p.m. to 2:42 p.m.	Judge: WILLIAM H. ORRICK
Case No.: 19-md-02913-WHO	Case Name: Re: Juul Labs, Inc., Marketing, Sales Practices	

Attorneys for Plaintiffs: Co-Lead Plaintiff Counsel Dena Sharp, Sarah London, Ellen Relkin, and Dean Kawamoto

Attorney for Defendants: Arthur Luk

Deputy Clerk: Jean Davis

Court Reporter: Rhonda Aquilina

PROCEEDINGS

Hearing on motion for final approval of class action settlement and attorney fees and expenses conducted in hybrid format with parties appearing in person and via videoconference.

The Court hears from Co-Lead Plaintiff Counsel Dena Sharp regarding the efforts of the Claims Administrator to validate claims given the indication that millions of fraudulent claims have been submitted. To the extent that information is discovered regarding the identity of persons or groups filing fraudulent claims, the Court encourages plaintiffs to pass that information on to the U.S. Attorney's Office for further investigation. The problem appears to be one that is significant, troubling, and likely to recur in other large class actions.

Counsel discusses some of the steps being taken to address the fraud issue and proposes a two-step process. Co-Lead Plaintiff Counsel expect, in approximately 60 days, to make a filing outlining the steps the Claims Administrator is taking to determine which claims are fraudulent and proposing an order regarding how claims suspected as fraudulent will be handled, for the Court's approval. After the Claims Administrator has finished its review of fraudulent claims pursuant to the Court-approved plan, Co-Lead Plaintiff Counsel will file a proposed order the JLI and Altria Settlement Funds to be disbursed to approved claimants.

If and when the Claims Administrator's costs exceed the currently approved \$6,000,000, Co-Lead Plaintiff Counsel may submit a request, supported by a declaration outlining the costs to date, to authorize further payments from the Settlement Funds for the Settlement Administrator.

The Court addresses the objections of Mr. Madrigal, Mr. Orr, and Ms. Addeo. Having reviewed the written objections and related briefing, the objections will be overruled. The Court will find the Altria Class Settlement to be fair, reasonable and adequate. Given the large number of claims, the 197 opt-outs and three objections represent a small fraction of class members. A separate order of final approval will be entered.

The Court approves the acceptance of late-filed claims, as identified in Dkt. No. 4198, pg. 2 n.3.

The Court is inclined to award the requested attorney's fees of 30 percent of the Altria Settlement Fund. However, a final order on the Attorney Fees from the Altria Settlement will not issue until the Fee Committee submits its Report in connection with the Altria Settlement. Moreover, 20 percent of any fee awarded will be withheld until distribution to class members from the JLI and Altria Settlement Funds has occurred. **A post-distribution accounting should be filed by September 25, 2024, and a hearing is scheduled for October 2, 2024 at 2:00 p.m.** Counsel may stipulate to move these deadlines so that the accounting will be filed at least 21 days after the settlement payments have issued and/or become stale, whichever date is later.

Unresolved issues in the MDL are briefly discussed and a further Case Management Conference set to discuss the remaining matters still pending, the timeframe for resolution of those matters, and what action is required from the Court.

Further Case Management Conference set for Monday, May 6, 2024 at 10:00 a.m. via videoconference.